

ASSEMBLY BILL

No. 980

Introduced by Assembly Member Charles Calderon

February 22, 2007

An act relating to real estate transfer fees.

LEGISLATIVE COUNSEL'S DIGEST

AB 980, as introduced, Charles Calderon. Real estate transfer fees: residential property.

Existing law permits various fees to be included in the price of a residential real estate transfer. Existing law requires specified disclosures to be made upon a transfer of residential real property and provides a form for this purpose.

This bill would state the intent of the Legislature to enact legislation to ensure that home buyers are adequately informed about transfer fees that are imposed by developers on home buyers and that are based on a percentage of the sales price of the home. The bill would specify certain factors to be disclosed, including the duration of any fee, its recipient, and the potential effect of the fee on the future resale value of the property.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) It is the intent of the Legislature to enact
- 2 legislation to ensure that home buyers are adequately informed
- 3 about transfer fees that are imposed by developers on home buyers
- 4 and that are based on a percentage of the sales price of the home.

- 1 (b) Adequate disclosure of these transfer fees shall include
- 2 notifying potential home buyers of the following:
- 3 (1) Whether or not the home that they are considering purchasing
- 4 requires the payment of a transfer fee.
- 5 (2) The percentage of the home price constituting the cost of
- 6 any fee.
- 7 (3) The duration of any fee.
- 8 (4) The recipient of the fee funds.
- 9 (5) The potential effect of the fee on the future resale value of
- 10 the property.